

Hot Chili Limited
ACN 130 955 725

First Floor, 768 Canning Highway, Applecross, Western Australia 6153

PO Box 1725, Applecross, Western Australia 6953

P: +61 8 9315 9009

F: +61 8 9315 5004

www.hotchilli.net.au



ASX CODE

HCH

Contact

Mr Christian Easterday
Managing Director

E: admin@hotchilli.net.au

www.hotchilli.net.au



ASX Announcement

Tuesday 6 August 2019

Phase 2 Drilling Underway at Cortadera

Hot Chili Limited (ASX Code: HCH) (“Hot Chili” or the “Company”) is pleased to announce that diamond drilling activities have re-commenced at the Cortadera copper-gold porphyry discovery in Chile.

Cortadera is located 14km from the Company’s Productora copper development along the coastal range of Chile and has been the source of several exceptional drill results following the execution of Option Agreements to acquire a 100% interest in the major privately-held discovery earlier this year (as announced to ASX on 25th February 2019).

Hot Chili’s first phase of confirmation drilling exceeded expectation, dramatically re-shaping the Company’s view of the potential size and grade of the Cortadera discovery.

The second-phase drilling programme will initially focus on the largest of the four porphyries discovered to date at Cortadera, where recent results confirmed the discovery of a new, high grade, bulk tonnage zone (188m grading 0.9% copper and 0.4g/t gold within a standout diamond drill intersection of 750m grading 0.6% copper and 0.2g/t gold from 204m down-hole depth (as announced to ASX on 5th July 2019)).

Pre-collars for the first two diamond holes of the second-phase drill programme are complete and double-shift diamond drilling is advancing well.

The Company is also pleased to confirm that highly regarded porphyry specialist Dr Steve Garwin is consulting to Hot Chili’s exploration team to refine the Company’s understanding of Cortadera and assist in drill targeting and design.

Steve’s extensive experience with recent Tier-1 copper-gold porphyry discoveries, most notably SolGold’s giant Cascabel deposit in Ecuador and the Batu Hijau deposit in Indonesia, is providing strong guidance to the Company’s exploration and resource definition approach for Cortadera.

While only in its infancy, the Cortadera discovery has demonstrated many characteristics commonly associated with major gold-rich, copper-gold porphyry systems.

The Company looks forward to providing further updates on drilling over the coming weeks.

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For more information please contact:

Christian Easterday

Managing Director

Tel: +61 8 9315 9009

Email: christian@hotchili.net.au

or visit Hot Chili's website at www.hotchili.net.au

Qualifying Statements

Competent Person's Statement- *Exploration Results*

Exploration information in this Announcement is based upon work compiled by Mr Christian Easterday, the Managing Director and a full-time employee of Hot Chili Limited whom is a Member of the Australasian Institute of Geoscientists (AIG). Mr Easterday has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a 'Competent Person' as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves' (JORC Code). Mr Easterday consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.

Forward Looking Statements

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